

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Northbridge Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: November 8, 2016

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY17 (since the amount under the prior schedule was maintained in FY17) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 8.0% to 7.75%.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

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NORTHBRIDGE RETIREMENT SYSTEM
FUNDING SCHEDULE with 3(8)(C) - 18 years: 4 % amortization
Generational Mortality, Scale BB; 7.75% Discount Rate; New Salary Scale

Fiscal Year	Normal Cost	Unfunded Liability	Funding Amortization of UAAL	Net 3(8)(c) Payments	Schedule Contribution*
2018	484,031	15,150,795	1,118,451	52,459	1,654,942
2019	504,602	15,119,850	1,163,190	52,459	1,720,251
2020	526,048	15,038,302	1,209,717	52,459	1,848,106
2021	548,405	14,900,300	1,258,106	52,459	1,921,247
2022	571,712	14,699,464	1,308,430	52,459	2,045,085
2023	596,010	14,428,839	1,360,767	52,459	2,126,220
2024	621,340	14,080,848	1,415,198	52,459	2,210,660
2025	647,747	13,647,238	1,471,806	52,459	2,298,542
2026	675,277	13,119,028	1,530,678	52,459	2,390,004
2027	703,976	12,486,447	1,591,905	52,459	2,485,194
2028	733,895	11,738,869	1,655,581	52,459	2,584,263
2029	765,085	10,864,742	1,721,805	52,459	2,687,370
2030	797,601	9,851,515	1,790,677	52,459	2,794,680
2031	831,500	8,685,553	1,862,304	52,459	2,906,362
2032	866,838	7,352,051	1,936,796	52,459	3,022,597
2033	903,679	5,834,937	2,014,268	52,459	3,143,570
2034	942,085	4,116,771	2,094,839	52,459	3,269,473
2035	982,124	2,178,632	2,178,632	52,459	3,400,509
2036	1,023,864	-	-	52,459	1,076,323

Amortization of Unfunded Liability as of July 1, 2017

Year	Type	Original Amort. Amount	Percentage Increasing	Original # of Years	Current Amort. Amount	Years Remaining
2018	Fresh Start	1,118,451	4.00%	18	1,118,451	18

* Includes recognition of the following asset gains/(losses) in Fiscal 2020 and 2022:

2020 (\$744,405)
2022 (\$536,060)